

1 Steven M. Olson, Esq.
State Bar No. 146120
2 LAW OFFICE OF STEVEN M. OLSON
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3 Santa Rosa, CA 95404
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5 Attorney for Debtor

6 UNITED STATES BANKRUPTCY COURT
7
8 NORTHERN DISTRICT OF CALIFORNIA

9 In Re

Case No. 86-11289
(Chapter 11)

10 FLOYD EVERETT SQUIRES, III,

11 Debtor.
_____ /

12
13 **DECLARATION OF DEBTOR**

14 I, Floyd Everett Squires, III, declare:

15 1. I am over eighteen (18) years old and am competent to testify as to the
16 matters set forth hereinbelow.

17 2. I am the Debtor in the above-captioned Chapter 11 bankruptcy case.

18 3. I filed my Chapter 11 voluntary petition on August 8, 1986. The
19 Court issued its order confirming the Debtor's Chapter 11 plan on October 29, 1987. A
20 true and correct copy of the order, plus the plan with pre-confirmation amendments, is
21 attached hereto as Exhibit 1 and by this reference is incorporated herein.

22 4. Class III(A) under the plan is the secured claim of IMCO Realty. IMCO
23 Realty was the servicer for Wells Fargo Bank. The claim was secured by my residence
24 located at 225 Wabash, Eureka, CA 95501. My plan set forth that the claim balance was
25 \$22,900. The repayment plan is for monthly payments in the amount of \$166.03 per
26 month (8% interest) until the debt is paid in full. The maturity of this debt will not occur
27 until after November of 2017. (Thirty year amortization of \$22,900, at 8% interest, would
28 make the monthly payments \$168.03, and thus the amortization term under the plan is

greater than 30 years.)

5. I recall that via post-confirmation motion, IMCO Realty/Wells Fargo Bank was awarded fees of \$21,000, to be allocated pro rata among the two classified secured claims of the claimant, payable at maturity of the classified secured claims. Thus, the portion of this \$21,000 allocated to the classified claim secured by the Debtor's residence has not yet become due and payable, as this debt does not mature until after November of 2017.

6. In 2011, Wells Fargo Bank refused to accept any further \$166.03 payments from me. Wells Fargo Bank contends that the subject debt has matured. Wells Fargo Bank has commenced nonjudicial foreclosure, and its sale is scheduled for 10:30 a.m. on January 16, 2014. I have tried, without success to date, to persuade Wells Fargo that the debt under my confirmed plan has not yet matured.

7. On January 15, 2014, I located counsel who is willing to represent me in the effort to enjoin Wells Fargo Bank from nonjudicial foreclosure of its assetted lien on my residence.

I declare under the penalty of perjury under the laws of the United States and of the State of California that the foregoing is true and correct.

Dated: January 15, 2014

By: /S/ Floyd Everett Squires, III (via scan and email)
Floyd Everett Squires, III

EXHIBIT 1

FILED

OCT 29 1987

PAUL C. KARNEY, JR., Clerk
U.S. BANKRUPTCY COURT-Santa Rosa

MATHEWS & MATHEWS
Attorneys at Law
Box 1325
Eureka, California 95501
Telephone: 442-3758

Attorneys for Debtor

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

In re

FLOYD SQUIRES, III,
et al.,

No: 1-86-01289

Debtor.

ORDER CONFIRMING MODIFIED CHAPTER 11 PLAN OF REORGANIZATION
FILED BY THE DEBTOR, FLOYD SQUIRES, III, ON JULY 6, 1987
AS MODIFIED BY THE AMENDMENT TO MODIFIED CHAPTER 11 PLAN
OF REORGANIZATION FILED ON JULY 7, 1987, THE SECOND AMENDMENT
TO MODIFIED CHAPTER 11 PLAN OF REORGANIZATION FILED ON
30, 1987, THE FOURTH AMENDMENT TO MODIFIED CHAPTER 11 PLAN OF
REORGANIZATION FILED ON JULY 30, 1987 AND AS FURTHER AMENDED AND
MODIFIED AT THE HEARING OF AUGUST 5, 1987, A COPY OF SAID
AMENDMENT HAVING BEEN REDUCED TO WRITING AND APPROVED BY ALL
COUNSEL

It having been determined after hearing on notice that:

- (1) The plan has been accepted in writing by creditors and equity security holders whose acceptance is required by law; and
- (2) The provisions of Chapter 11 of the Code have been

1 complied with; that the plan has been proposed in good faith and
2 not by any means forbidden by law; and

3 (3) Each holder of a claim or interest has accepted the plan
4 or will receive or retain under the plan property of a value, as
5 of the effective date of the plan, that is not less than the
6 amount that such holder would receive or retain if the debtor
7 were liquidated under Chapter 7 of the Code on such date. The
8 plan does not discriminate unfairly, and is fair and equitable,
9 with respect to each class of claims or interest that is impaired
10 under, and has not accepted the plan; and

11 (4) All payments made or promised by the debtor or by a
12 person issuing securities or acquiring property under the plan or
13 by any other person for services or for costs and expenses, or in
14 connection with, the plan and incident to the case, have been
15 fully disclosed to the court and are reasonable or, if to be
16 fixed after confirmation of the plan, will be subject to the
17 approval of the court; and

18 (5) IT IS ORDERED that:

19 (a) The Modified Chapter 11 Plan of Reorganization filed
20 by the debtor on July 6, 1987 together with amendments, a copy of
21 which plan and amendments is attached hereto, is confirmed.

22 IT IS FURTHER ORDERED that the court shall review this
23 order of confirmation on February 3, 1988 at 9:00 A.M. in the
24 Bankruptcy Court, 5th & H Streets, Old Post Office Building,
25 Eureka, California. The debtor shall file a statement of all
26 disbursements made pursuant to the plan with his operating

1 reports for each month beginning with August of 1987 until the
2 review hearing of February 3, 1988. The statement of
3 disbursements made pursuant to the plan shall indicate the date
4 of payment, the payee, and the amount of the payment.

5 Dated: original signed by Judge Jaroslovsky
JUDGE OF THE BANKRUPTCY COURT

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FILED

At _____ o'clock & _____ min. At

JUL 7 1987

PAUL C. KARNEY, JR., Clerk
U.S. BANKRUPTCY COURT

1 Mathews & Mathews
2 Attorneys at Law
3 P.O. Box 1325
4 Eureka, California 95501
5 Telephone: 707-442-3758

Attorneys for Debtor

6
7 IN THE UNITED STATES BANKRUPTCY COURT FOR THE
8 NORTHERN DISTRICT OF CALIFORNIA

In re

10 FLOYD SQUIRES, III,
11 et al

No. 1-86-01289
Chapter 11

Debtor

12
13 AMENDMENT TO MODIFIED CHAPTER 11 PLAN OF REORGANIZATION

14 The debtor, Floyd Squires, III, makes the following amendment
15 to the Modified Chapter 11 Plan of Reorganization filed on July 6,
16 1987:

Page 6, line 2 through 3, Item I:

18 I. Warren Fisher	\$58,1000.00	Payable \$675.00
		per month.
		(11%)

Dated: July 7, 1987.

MATHEWS & MATHEWS

22 BY: _____
23 Attorney for Debtor

nj

1 MATHEWS & MATHEWS
2 Attorneys at Law
3 Box 1325
4 Eureka, California 95501
5 Telephone: 442-3758

6 Attorneys for Debtor

FILED
At _____ o'clock & _____ min. _____ M

JUL 30 1987

PAUL C. KARNEY, JR., Clerk
U.S. BANKRUPTCY COURT

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8
9 IN THE UNITED STATES BANKRUPTCY COURT FOR THE
10 NORTHERN DISTRICT OF CALIFORNIA

11 In re

12 FLOYD SQUIRES, III, et al.,

13 Debtor.

No: 1-86-01289
Chapter 11

14
15 SECOND AMENDMENT TO MODIFIED CHAPTER 11 PLAN OF REORGANIZATION

16 The debtor, Floyd Squires, III, makes the following
17 second amendment to the modified Chapter 11 Plan of Reorganiza-
18 tion filed on July 6, 1987:

19 Page 5 line 5:

20 Under Article 8 on page 10, the debtor's skipped payments
21 to the Internal Revenue Service shall accrue interest at the rate
22 set forth in Internal Revenue Code Section 26 U.S.C. Section 6611
23 until paid. The debtor will make monthly payments to the
24 Internal Revenue Service beginning with the first of the month
25 following the effective date of the plan. Payments will be due
26 each month thereafter on the 1st of the month.

Page 3 lines 12-15:

1 The debtor strikes out the following language and inserts
2 a period after the word non-appealable. The language to be
3 stricken is: "or the date on which the cash proceeds sufficient
4 to satisfy payment of all claims as provided for by Article 4 of
5 the plan have been received by the debtors, whichever date may be
6 later."

7 Page 6, lines 2-3, item 1:

8 1. Warren Fisher \$58,100.00 payable \$675 per month
9 (11%). The provision set forth in Article 8 on page 10 relating
10 to skipped payments does not apply to this secured creditor.

11 Dated: July 29, 1987

12 KENNETH R. MATHEWS
13 Attorney for Debtor
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(VERIFICATION-446,2015.5 C.C.P.)

1 STATE OF CALIFORNIA
2 COUNTY OF HUMBOLDT

}

ss.

3 I am a party in the above entitled action. I have read the foregoing document
4 and know the contents thereof and I do certify under penalty of perjury that the fore
5 going is true and correct, except as to those matters stated on information or belief
6 and as to those matters I believe it to be true.

7 Dated: _____, at Eureka, California.

(PROOF OF SERVICE BY MAIL—1013a, 2015.5 C.C.P.)

11 STATE OF CALIFORNIA
12 COUNTY OF HUMBOLDT

}

ss.

13 I am a citizen of the United States and a resident of the county aforesaid; I am
14 over the age of eighteen years and not a party to the within entitled action, my business
15 address is: 732 Fifth Street
16 Eureka, California.

17 On July 29, 1987, I served the within document on
18 the _____

19 In said action, by placing a true copy thereof enclosed in a sealed envelope with post
20 age thereon fully prepaid, in the United States mail at Eureka, California, addressed

21 as follows:

22 Philip M. Arnot, Inc., 307 N Street, Eureka, Ca. 95501
23 Internal Revenue Service, Attn: Thomas Mackinson, 160 Spear St.,
24 Room 504, San Francisco, California 94105

25 I certify, under penalty of perjury, that the foregoing is true and correct.

26 Executed on July 29, 1987, at Eureka, California.

Bev Giacomini

WHERE & MAILED
RETURNED TO LAW
PO BOX 1004
732 FIFTH STREET
EUREKA, CALIFORNIA

MATHEWS & MATHEWS
Attorneys at Law
Box 1325
Eureka, California 95501
Telephone: 442-3758

Attorneys for Debtor

FILED

At _____ o'clock & _____ min. _____ M

JUL 30 1987

PAUL C. KARNEY, JR., Clerk
U.S. BANKRUPTCY COURT

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

In re

FLOYD SQUIRES, III, et al.,

Debtor.

No: 1-86-01289
Chapter 11

FOURTH AMENDMENT TO MODIFIED CHAPTER 11 PLAN OF REORGANIZATION

The debtor, Floyd Squires, III, makes the following
second amendment to the modified Chapter 11 Plan of Reorganiza-
tion filed on July 6, 1987:

Page 8 line 23:

Delete--"Eight (8) equal monthly installments of \$2844.12
commencing with the month of July, 1987."

Insert:

"Ten (10) equal monthly installments of \$2275.29
commencing with the month of July, 1987."

Page 9 lines 7-8, City of Eureka (water bill) balance due
\$5289.39 repayment plan \$146.92/mo for 36 months.

Page 5, line 20 item C:

1 C. Home Federal S&L \$61,742.71 repayment plan \$683/mo
2 (9.25%).

3 Page 8, line 6-1/2 item BB.

4 BB. Home Federal S&L \$13,068.16 repayment plan paid over
5 12 months.

6 Page 10 line 3:

7 Insert: "Payments to Class VII creditors shall begin on
8 the first of the month following the effective date of the plan."
9 Dated: July 29, 1987

10 KENNETH R. MATHEWS
11 Attorney for Debtor
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(VERIFICATION-446,2015.5 C.C.P.)

STATE OF CALIFORNIA }
COUNTY OF HUMBOLDT } ss.

I am a party in the above entitled action. I have read the foregoing document and know the contents thereof and I do certify under penalty of perjury that the foregoing is true and correct, except as to those matters stated on information or belief, and as to those matters I believe it to be true.

Dated: _____, at Eureka, California.

(PROOF OF SERVICE BY MAIL—1013a, 2015.5 C.C.P.)

STATE OF CALIFORNIA }
COUNTY OF HUMBOLDT } ss.

I am a citizen of the United States and a resident of the county aforesaid, I am over the age of eighteen years and not a party to the within entitled action, my business address is: 732 Fifth St.
Eureka, California.

On 7/29/, 1987, I served the within document on the _____

In said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Eureka, California, addressed as follows:

Dalton, Nord & Bicknell, Box 24, Eureka, Ca. 95501
Davis, McClendon & Poovey, 937 Sixth Street, Eureka, Ca. 95501
Norris & Norris, 2566 MacDonald Avenue, Richmond, California 94801

I certify, under penalty of perjury, that the foregoing is true and correct.

Executed on 7/29/87, at Eureka, California.

Bev Giacomini

1 MATHEWS & MATHEWS
Attorneys at Law
2 Box 1325
Eureka, California 95501
3 Telephone: 442-3758

4 Attorneys for Debtor
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11
12 IN THE UNITED STATES BANKRUPTCY COURT FOR THE
13 NORTHERN DISTRICT OF CALIFORNIA

14 In re

15 FLOYD SQUIRES, III,
16 et al.,

No: 1-86-01289

17 Debtor.
18 _____/

19 FIFTH AMENDMENT TO MODIFIED CHAPTER 11 PLAN OF REORGANIZATION

20 The debtor, Floyd Squires III, makes the following Fifth
21 Amendment to the Modified Chapter 11 Plan of Reorganization filed
22 on July 6, 1987:

23 Page 4, lines 19-25, ~~the debtor owes the Humboldt County~~
24 ~~Tax Collector an unliquidated sum. The sum owed the Humboldt~~
25 ~~County Tax Collector shall be liquidated by the claims and~~
26 ~~objection to claims procedure.~~ The debtor will pay the
liquidated amount owed to the Humboldt County Tax Collector with

KDm
RJK

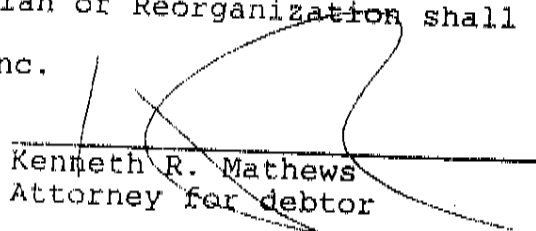
1 deferred cash payments of a value as of the effective date of
2 this plan of the allowed amount of such claim over a five year
3 term from the date of assessment. The interest rate used in
4 computing the present value of the debtor's deferred cash
5 payments will be 8.5%.

6 Page 5, line 2-7: The debtor will pay the liquidated
7 amount owed to the I.R.S. with deferred cash payments of a value
8 as of the effective date of this plan for the allowed amount of
9 such claim over a five year term from the date of assessment.
10 The interest rate used in computing the present value of the
11 debtor's deferred cash payments will be 8.5%.

12 Page 6, line 1: H. Ima Lamb, \$124,900; \$1500 per month
13 (9%). Page 8, line 19: KK. Ima Lee Lamb, \$1500, \$20.63 per month.
14 A period of 72 months.

15 Page 7, line 4: The provision for skipped payments on
16 page 10 of this Modified Plan of Reorganization shall not apply
17 to Beneficial California, Inc.

18 Dated: August 6, 1987

19 
Kenneth R. Mathews
Attorney for debtor

20 APPROVED AS TO FORM:

21 HUMBOLDT COUNTY COUNSEL

22 By: 

23 Richard Kula

24 
MICHAEL ZUKERNICK

25 Special Assistant United States Attorney



William McClendon

Attorney for Beneficial California, Inc.



Larry Myers

Attorney for Ima Lee Lamb

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FILED

At _____ o'clock & _____ min. _____ M

JUL 6 1987

PAUL C. KARNEY, JR., Clerk
U.S. BANKRUPTCY COURT

Mathews & Mathews
Attorneys at Law
P.O. Box 1325
Eureka, California 95501
Telephone: 442-3758

Attorneys for Debtor

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

In re

FLOYD SQUIRES, III,
et al

No. 1-86-01289
Chapter 11

Debtor

MODIFIED CHAPTER 11 PLAN OF REORGANIZATION
JULY 6, 1987
FILED BY FLOYD SQUIRES, III, DEBTOR

I. INTRODUCTION:

The debtor, Floyd E. Squires III, filed his petition under Chapter 11 of the Bankruptcy Code on August 8, 1986.

The primary purpose in filing the Chapter 11 Petition was to deal with the debtor's arrearages on secured obligations as well as aged accounts payable.

On June 16, 1987, creditor Brian J. Silver, was granted relief from stay as to the real property generally known as 705 15th Street, Eureka, Humboldt County, California.

On July 1, 1987, the claim of creditor Alvin Backues, Jr., was estimated for the purposes of this Chapter 11 Reorganization as (1) Zero (\$0) Dollars general damages (creditor to pursue debtor's

insurance policy); and (2) Fifty Thousand (\$50,000) Dollars
punitive damages under the provisions of 11 USC Section 502(c).
It is expressly provided that the estimation of the claim of Alvan
Backues, Jr., for the purposes of this debtor's reorganization
shall have no res judicata effect.

Except as expressly set forth hereinabove, the debtor has
remained in control of his own financial affairs and in possession
of the assets described in his statement and schedule of affairs
and in his disclosure statement and amendment to disclosure
statement.

II. DEFINITIONS:

For the purposes of this Plan of Reorganization, the following
definitions shall apply:

"Claim" shall mean a duly listed, or timely filed proof of
claim.

"Contingent Fund" shall mean the non-cash proceeds realized
from the sale of the debtor's assets, if any, together with any
interest earned thereon, which contingent fund is to be
established and administered in accordance with the provisions of
Article IV below.

"Court" shall mean the United States Bankruptcy Court for the
Northern District of California in which this case is presently
pending.

"Creditors" shall mean all creditors of the debtor holding
claims for unsecured debts, liabilities demands, or claims of any
character whatsoever.

"Creditor's Committee" shall mean the creditor's committee appointed by order of this court, the members thereof, and any successor members.

"Creditor's Fund" shall mean the cash proceeds realized from the sale of the debtor's assets, if any, and from the debtor's future income, which creditor's fund is to be established and administered in accordance with the provisions of Article IV below.

"Debtors" shall mean Floyd E. Squires, III.

"Effective Date" shall mean the date on which the order confirming this plan of reorganization becomes final and non appealable, or the date on which cash proceeds sufficient to satisfy payment of all claims as provided for by Article IV of the plan have been received by the debtors, whichever date may be later.

"General Unsecured Claims" shall mean all claims held by creditors of the debtors, other than secured claims, and shall include claims arising out of the rejection of executory contracts, if any.

"Lien" shall mean a deed of trust, a pledge, a judgment lien, security interest, charging order, or other charge or encumbrance on the debtor's property effective under applicable laws as of the date of the debtor's petition for reorganization.

"Plan" shall mean the plan of reorganization in its present form or as it may be amended or supplemented.

"Secured Claims" shall mean all claims secured by liens on the

property of the debtors, which liens are valid, perfected, enforceable under applicable law, are not subject to a voidance under Bankruptcy Code or other applicable non-bankruptcy law, and are duly established in this case.

III. CLASSIFICATION OF CLAIMS AND INTERESTS:

For the purposes of distribution under this plan, claims and secured claims, are divided into the following classes:

Class I. These creditors are those who are entitled to a priority in payment under the provisions of the Bankruptcy Code and are to be paid in full from cash on hand at the time of the court's confirmation of this plan, except to the extent that these liabilities may be deferred and payment made voluntarily. This class consists of the costs of administration. The claim of the debtor's attorney for work in connection with this case is a Class I claim. The amount payable to the debtor's attorney will be subject to approval of this court following the confirmation of this plan. Class I claims will be paid by the debtor on a monthly basis in the 60 months following confirmation of this plan.

Class II. These creditors are existing tax liabilities. The debtor owes a total of \$20,000.00 to the Humboldt County Tax Collector. This consists of a \$13,900.00 arrearage plus there is current \$6100.00 due. The debtor intends to pay the Humboldt County Tax Collector over the period of 72 months by making quarterly installments of \$833.33. This amounts to a monthly set aside for this obligation of \$277.78.

The debtor owes the IRS an unliquidated sum. The sum owed the

IRS shall be liquidated by the claims and objection to claims procedure. The debtor will pay the liquidated amount owed to the IRS with deferred cash payments of a value as of the effective date of this plan of the allowed amount of such claim over a six (6) year term. The interest rate used in computing the present value of the debtor's deferred cash payments will be the rate set forth in Internal Revenue Code Section 26 USC Section 6621.

Class III. These creditors are secured creditors. Their security consists of the items of improved real property referred to in the debtor's schedule and statement of affairs and in the disclosure statement. The debtor intends on making payments to secured creditors in the following amounts and it should be noted that the interest rate on all obligations is changed to the percentage figure after the stated monthly amount. Those payments are as follows:

CREDITORS

	BALANCE DUE	REPAYMENT PLAN
A. Imco Realty	\$22,900.00	\$166.03/mo. (8%)
B. Great Western S & L ✓	\$29,300.00	\$246.39/mo/ (9-1/2%)
C. Home Federal S & L ✓	\$51,900.00	\$501.00/mo. (9-1/2%)
D. First Security S & L ✓	\$26,900.00	\$776.00/mo. (17%)
E. Floyd Squires, Jr. ✓	\$34,800.00	\$292.61/mo. (9-1/2%)
F. First Security S & L ✓	\$64,100.00	\$484.00/mo. (17%)
G. Poscic Co., Inc. ✓	\$241,857.00	\$2250.00/mo. (8%)

H.	Ima Lamb	\$124,900.00	\$1050.22/mo. (9-1/2%)
I.	Warren Fisher	\$58,100.00	\$486.53/mo. (9-1/2%)
J.	John Cavegn	\$16,849.00	\$141.67/mo. (9-1/2%)
K.	John McBeth, et al	\$54,201.00	\$455.75/mo. (9-1/2%)
L.	John McBeth, et al	\$6,000.00	\$50.00/mo. (0%)
M.	Imco Realty	\$26,867.00	\$225.91/mo. (9-1/2%)
N.	Brian Silver	See Exhibit A attached hereto.	
O.	John Cavegn	\$88,000.00	\$739.95/mo. (9-1/2%)

G-w Beneficial

(Note modification to allow partner Darlene Fox to withdraw from the partnership on this property.)

P.	First Security	\$56,000.00	\$651.00/mo. (14%)
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All secured obligations with Beneficial California Inc. are modified as follows:

(1) The interest rates on all secured obligations are changed to 13% per annum;

(2) Monthly payments on all secured obligations will be adjusted to provide for a 15 year amortization;

(3) The debtor will make payment to Beneficial with certified funds;

(4) Monthly payments are due on the first of each month and the debtor shall be in default to Beneficial if payments have not been received by the 11th of each month;

(5) The terms of this arrangement shall begin with the month

of July, 1987. Creditors subordinate (junior secured creditors) to Beneficial California Inc. will be further subordinated to the extent necessary to amortize the existing financing to the terms set forth above.

Confirmation of this modified plan of reorganization shall operate to cure any default of any real estate security agreement notwithstanding that by the terms of the security agreement or by the law or processes of a governmental unit the time for redemption or reinstatement has expired. In the event the debtor fails to make any payment to a Class III/^{claim} called for under the terms of this modified plan of reorganization by the 10th calendar day following the date the payment is due, relief from the stay provisions of 11 USC Section 362 shall be granted twenty (20) days from the date of the filing of a declaration by the secured creditor stating the amount that is due and unpaid and that creditor shall then be allowed to pursue his rights under applicable state laws.

If there exists Class III creditors not named in this Modified Plan of Reorganization holding statutory or other liens against debtor's real estate and the obligation is fully due, for reasons other than exercise of a power of acceleration for failure to make installment payments, unless the court under Section 362(d) orders otherwise, debtor will pay said claim directly to said creditor in full on or before six (6) months following the date of confirmation of this plan or six (6) months from the date claim matures, whichever is later.

Class IV. This class consists of arrearages on secured obligations. The debtor intends on making payment on these arrearages as follows:

CREDITOR	BALANCE DUE	REPAYMENT PLAN
AA. Francis Mathews	\$5500.00	\$458.33 over 12 months
BB. Home Federal S & L	\$3082.98	Paid over 12 months
CC. First Security S & L	\$4656.00	\$388.00 over 12 months
DD. First Security S & L	\$2904.00	\$242.00 over 12 months
EE. Poscic Co. Inc.	\$9000.00	\$125.00 over 72 months
FF. Great Western S & L	\$329.39	\$27.44 over 12 months
GG. Warren Fisher	\$4725.00	\$393.75 over 12 months
HH. John Cavegn	\$8000.00	\$111.11 over 72 months
II. Darlene Fox	\$6100.00	\$84.72 over 72 months
JJ. First Security	\$5128.00	\$427.33 over 12 months

The debtor owes \$29,752.90 arrearages to Beneficial California, Inc. These arrearages are on six (6) properties. These arrearages will be paid by: (1) \$7000.00 payment upon confirmation of this plan; and (2) eight (8) equal monthly installments of \$2,844.12 commencing with the month of July, 1987. Payment of arrearages is due on the 1st of the month and the debtor will be in default if Beneficial California, Inc., has not

received the payment by the 11th of the month.

The arrearages owed to Home Federal will be paid off within one year following the effective date of this plan.

Class V. This class consists of amounts owed to utilities. The debtor intends on making payments to utilities as follows:

UTILITY	BALANCE DUE	REPAYMENT PLAN
City of Eureka (Water bill)	\$4000.00 ✓	\$150.00/mo for 26 months
City Garbage (City Garbage to reactivate service to the California Apartments)	\$1000.00 ✓	\$16.67/mo for 5 years

Class VI. This class consists of unsecured business creditors. The debtor intends on making payments to unsecured business creditors as follows:

CREDITOR	BALANCE DUE	REPAYMENT PLAN
Ned Jennings	\$2900.00 ✓	\$200.00/mo.
Francis Mathews	\$7467.00 ✓	\$300.00/mo.

Class VII. This class consists of unsecured business creditors to whom the amounts owed are unliquidated or disputed or both. The debtor intends on making payments to these creditors as follows:

CREDITOR	BALANCE DUE	REPAYMENT PLAN
First Interstate Bank	\$9400.00	\$7500 @ \$100/mo.
McMurray & Sons	\$15,000.00	\$15,000 @ \$625/mo.
Cindy Burrows	\$195.00	-0-
Monica McCann	\$400.00	-0-
Humboldt County	\$1500.00	-0-

1 Katherine Wittman - unknown amount
2 Claimant deceased -0-
3 Wells Fargo \$2417.00 -0-

4 If there exists any allowed general unsecured claims not named
5 in this Modified Plan of Reorganization, debtor will pay 75% of the
6 amount allowed in full satisfaction thereof over a period of 2
7 months.

8 Class VIII. This class consists of the claim of Alvin
9 Backues, Jr., for punitive damages. The debtor will pay the
10 allowed amount of said claim in full over a period of three (3)
11 years (years 6 through 8).

12 VIII. MEANS FOR EXECUTION OF THE PLAN:

13 The debtor shall implement the terms of this plan by
14 continuing in possession of his business. The financial resources
15 for payments required to be made pursuant to this plan shall come
16 from the debtor's monthly rental income and commissions from his
17 work as a real estate agent.

18 The debtor's obligations to make any payment pursuant to this
19 plan is subject to the debtor's right, at the debtor's election
20 and at the debtor's sole discretion, to make six skipped payments
21 during the period the plan remains in existence. The skipped
22 payment would permit the debtor to fail to make six monthly
23 payments during the period the plan remains in existence. The
24 skipped payment would permit the debtor to fail to make six
25 monthly payments during the period the plan remains in existence
26 to all creditors without going into default to any creditor. An
additional payment will be required to be made at the end of the

plan for each payment missed as a skipped payment. The total number of monthly payments required to be made shall not vary as a result of a skipped payment. No interest shall accrue as a result of a skipped payment.

IX. CLASSES NOT IMPAIRED UNDER THE PLAN

Class 1 creditors are the only class of creditors who are not impaired by this plan.

X. EXECUTORY CONTRACTS:

The right to reject, prior to confirmation, any executory contract is specifically reserved.

XI. RETENTION OF JURISDICTION:

The court shall retain jurisdiction of this case after confirmation until all payments and distributions called for under the plan have been made and until the entry of a final decree, in respect to the following matters:

A. To enable any party in interest to consummate any and all proceedings that it may bring prior to confirmation to set aside liens, or to recover any preferences, transfers, assets or damages to which it may be entitled under the provisions of the Bankruptcy Code or other federal or state law;

B. To adjudicate all claims to any lien on any property of the debtor or any proceeds thereof;

C. To adjudicate all claims or controversies arising during the pendency of this Chapter 11 case.

D. To recover all assets and properties of the debtor wherever located, to the extent necessary for the consummation of

this plan;

E. To allow or disallow any claim;

F. To determine the propriety of the terms and conditions of the sale of any property of the debtor upon objection to sale by any party in interest. The debtor is required to give 30 day notice of sale of all property of the estate setting forth the relevant terms of the sale to any creditor holding a security interest in the property subject to sale;

G. To make such orders as are necessary or appropriate to carry out the provisions of this plan.

XII. EVENTS OF DEFAULT:

It shall constitute a material breach of this plan as defined under 11 USC Section 1112(b)(8) if any of the following events occur prior to the sixth (6th) anniversary of the effective date of this plan:

(a) Failure of the debtor to make any payment when due under the terms of this plan; or

(b) Breach by the debtor of any other provision of this plan

XIII. DISPUTED CLAIMS: OBJECTIONS TO CLAIMS:

Any party in interest may file an objection to any claim within 30 days after the date the order confirming the plan becomes final and non-appealable. Objections not filed within such time shall be deemed waived.

Dated: July 6, 1987.

MATHEWS & MATHEWS

BY: _____
Attorneys for Debtor

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